

CITY OF FORD, KANSAS

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED DECEMBER 31, 2012**

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
City of Ford, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Ford, Kansas, as of and for the year ended December 31, 2012, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statement is prepared by the City of Ford, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United State of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United State of America, the financial position of the City of Ford, Kansas, as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the City of Ford, Kansas as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts and disbursements – agency fund (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

The 2011 Actual columns presented in the individual fund schedules of cash receipts and expenditures, (Schedule 2 as listed in the table of contents) upon which we rendered an unqualified opinion dated August 20, 2012 are also presented for comparative analysis and are not a required part of the 2012 financial statement. The 2011 financial statements and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management and Analysis and Standards at the following link: <http://da.ks.gov/ar/muniserv/>. Such 2011 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 financial statements. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 financial statements or to the 2011 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 financial statements as a whole.

Kennedy McKee & Company LLP

November 5, 2013

CITY OF FORD, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS

For the Year ended December 31, 2012

<u>Fund</u>	<u>Beginning unencumbered cash balance (deficit)</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General fund	\$ 52,072	\$ -	\$ 100,158
Special purpose funds:			
Library	414	-	4,445
Special highway	7,356	-	5,661
Nonbudgeted special purpose fund:			
Capital improvement	81,525	-	-
Total special purpose funds	89,295	-	10,106
Business funds:			
Water	6,319	-	43,051
Sewer	13,608	-	15,431
Gas	(76,027)	-	137,559
Trash	8,845	-	18,557
Nonbudgeted business fund:			
KDHE sewer loan payment	-	-	13,216
Total business funds	(47,255)	-	227,814
Total - excluding agency fund	\$ 94,112	\$ -	\$ 338,078
Composition of cash balance:			
Checking accounts			
Savings accounts			
Certificates of deposit			
Total cash			
Agency fund			
Total - excluding agency fund			

The notes to the financial statement are an integral part of this statement.

STATEMENT 1

<u>Expenditures</u>	<u>Ending unencumbered cash balance (deficit)</u>	<u>Add outstanding encumbrances and accounts payable</u>	<u>Ending cash balance (deficit)</u>
<u>\$ 107,729</u>	<u>\$ 44,501</u>	<u>\$ 1,981</u>	<u>\$ 46,482</u>
4,445	414	2,105	2,519
13,017	-	100	100
<u>-</u>	<u>81,525</u>	<u>-</u>	<u>81,525</u>
<u>17,462</u>	<u>81,939</u>	<u>2,205</u>	<u>84,144</u>
31,505	17,865	413	18,278
9,974	19,065	27	19,092
166,204	(104,672)	21,628	(83,044)
17,370	10,032	1,434	11,466
<u>13,216</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>238,269</u>	<u>(57,710)</u>	<u>23,502</u>	<u>(34,208)</u>
<u>\$ 363,460</u>	<u>\$ 68,730</u>	<u>\$ 27,688</u>	<u>\$ 96,418</u>
			\$ 4,916
			22,279
			<u>77,316</u>
			104,511
			<u>(8,093)</u>
			<u>\$ 96,418</u>

CITY OF FORD, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the City's financial statement. The financial statement and notes are representations of the City's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

The City of Ford is a municipal corporation governed by an elected mayor and five-member council. This financial statement presents the City of Ford, Kansas (the municipality). The Ford City Library, a related municipal entity, has not been included in the City's reporting entity.

2. Basis of Presentation - Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2012:

REGULATORY BASIS FUND TYPES

General fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Business fund - funds financed in whole or in part by fees charged to users of the goods or services.

Agency fund - used to report assets held by the municipal reporting entity in a purely custodial capacity.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United State of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows other than those mentioned above.

The City Council has adopted a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the statutory basis of accounting.

4. Budgetary information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

All legal annual operating budgets are prepared using the statutory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the Capital Improvement fund or the KDHE Sewer Loan Payment fund.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration to the Director of Accounts and Reports and for interpretation by the legal representatives of the City.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund greater than the unencumbered cash of that fund. The Gas Fund had a cash basis violation of \$104,672.

The budget law provided by K.S.A. 79-2935 prohibits the expenditure of funds in excess of that allowed by budget. Expenditures exceeded the adopted budget of the Library fund by \$145.

C. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds to have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks to provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no other policies that would further limit its investment choices.

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2012.

C. DEPOSITS AND INVESTMENTS (CONTINUED)

At December 31, 2012 the carrying amount of the City's deposits, including certificates of deposit, was \$104,511. The bank balance was \$119,422, all of which was covered by FDIC insurance.

D. LONG-TERM DEBT

Changes in long-term liabilities for the entity for the year ended December 31, 2012, were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest and service fees paid</u>
Loan:					
Kansas Water Pollution Control Revolving Loan Issued December 1, 2004 in the amount of \$196,965 at interest rate of 2.85% and service fees of .25% maturing September 1, 2022	\$ 122,392	\$ -	\$ 9,495	\$ 112,897	\$ 3,721

Current maturities of loan and interest for the next five years and thereafter through maturity are as follows:

	<u>Principal due</u>	<u>Interest</u>	<u>Total due</u>
2013	\$ 9,792	\$ 3,149	\$ 12,941
2014	10,098	2,867	12,965
2015	10,414	2,577	12,991
2016	10,739	2,278	13,017
2017	11,074	1,970	13,044
2018-2022	60,780	4,923	65,703
Total	\$ 112,897	\$ 17,764	\$ 130,661

E. INTERFUND TRANSACTIONS

During the course of normal operations, the City may have transactions between funds including expenditures and transfers of resources to provide services, construct assets and service debt. The governmental and business funds generally reflect such transactions as transfers.

A summary of interfund operating transfers is as follows:

<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>	<u>Statutory authority</u>
General fund	KDHE Sewer Loan Payment fund	\$ 13,216	Ordinance

F. PENSION COSTS AND EMPLOYEE BENEFITS

1. Deferred compensation plan

The City offers employees a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457.

2. Other Employee Benefits

The City has annual provisions for sick leave, vacation, and personal leave.

3. Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

G. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to cover health, property, liability, and worker's compensation claims. There have been no significant reductions in coverage from the prior year, and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

H. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 5, 2013, the date on which the financial statement was available to be issued. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

**REGULATORY - REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF FORD, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

Year ended December 31, 2012

<u>Fund</u>	<u>Certified budget</u>	<u>Adjustment for qualifying budget credits</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General fund	\$ 147,916	\$ -	\$ 147,916	\$ 107,729	\$ 40,187
Special purpose funds:					
Library	4,300	-	4,300	4,445	(145)
Special highway	17,000	-	17,000	13,017	3,983
Business funds:					
Water	44,400	-	44,400	31,505	12,895
Sewer	17,500	-	17,500	9,974	7,526
Gas	214,900	-	214,900	166,204	48,696
Trash	23,000	-	23,000	17,370	5,630
Total	<u>\$ 469,016</u>	<u>\$ -</u>	<u>\$ 469,016</u>	<u>\$ 350,244</u>	<u>\$ 118,772</u>

See Independent Auditor's Report

CITY OF FORD, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance
	2011	Actual	Budget	favorable (unfavorable)
Cash receipts:				
Taxes:				
Ad valorem tax	\$ 34,996	\$ 34,899	\$ 34,479	\$ 420
Delinquent tax	924	2,382	743	1,639
Motor vehicle tax	10,914	12,116	11,186	930
Recreational vehicle tax	94	75	197	(122)
16/20M truck tax	-	-	254	(254)
Shared revenue:				
Alcohol tax	-	53	-	53
Local sales tax	31,685	28,021	32,500	(4,479)
Licenses, permits and fees:				
Franchise fees	5,924	9,860	10,000	(140)
Licenses	25	25	100	(75)
Interest	1,160	643	2,000	(1,357)
Other:				
Rent	100	65	300	(235)
Oil and gas lease	4,000	4,000	8,000	(4,000)
Gas royalty	14,349	5,867	-	5,867
Miscellaneous	1,091	2,152	-	2,152
Total cash receipts	105,262	100,158	\$ 99,759	\$ 399
Expenditures:				
Personal services	21,272	34,912	\$ 46,700	\$ 11,788
Contractual services	6,589	2,787	5,000	2,213
Capital outlay	1,744	10,228	34,000	23,772
General administration	22,770	26,414	24,000	(2,414)
Community building	6,503	6,094	8,000	1,906
Animal control	80	57	1,000	943
Insurance	5,409	5,550	6,000	450
Repairs and maintenance	9,596	8,471	10,000	1,529
Transfer to KDHE loan fund	13,216	13,216	13,216	-
Total expenditures	87,179	107,729	\$ 147,916	\$ 40,187
Receipts over (under) expenditures	18,083	(7,571)		
Unencumbered cash, beginning of year	33,989	52,072	\$ 48,157	\$ 3,915
Unencumbered cash, end of year	\$ 52,072	\$ 44,501		

See Independent Auditor's Report

CITY OF FORD, KANSAS

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year ended December 31, 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance
	2011	Actual	Budget	favorable (unfavorable)
Cash receipts:				
Taxes:				
Ad valorem tax	\$ 3,155	\$ 3,129	\$ 3,092	\$ 37
Delinquent tax	84	219	30	189
Motor vehicle tax	979	1,090	1,008	82
Recreational vehicle tax	9	7	18	(11)
16/20M truck tax	-	-	23	(23)
Total cash receipts	4,227	4,445	<u>\$ 4,171</u>	<u>\$ 274</u>
Expenditures:				
Appropriation to Library	4,227	4,445	<u>\$ 4,300</u>	<u>\$ (145)</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	414	414	<u>\$ 129</u>	<u>\$ 285</u>
Unencumbered cash, end of year	<u>\$ 414</u>	<u>\$ 414</u>		

See Independent Auditor's Report

CITY OF FORD, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance favorable (unfavorable)
	<u>2011</u>	<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
State of Kansas gas tax	\$ 7,108	\$ 5,661	<u>\$ 8,810</u>	<u>\$ (3,149)</u>
Expenditures:				
Street repair	<u>8,334</u>	<u>13,017</u>	<u>\$ 17,000</u>	<u>\$ 3,983</u>
Receipts over (under) expenditures	(1,226)	(7,356)		
Unencumbered cash, beginning of year	<u>8,582</u>	<u>7,356</u>	<u>\$ 8,312</u>	<u>\$ (956)</u>
Unencumbered cash, end of year	<u>\$ 7,356</u>	<u>\$ -</u>	<u>\$ 122</u>	<u>\$ 122</u>

See Independent Auditor's Report.

CITY OF FORD, KANSAS

CAPITAL IMPROVEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	<u>2011</u>	<u>2012</u>
Cash receipts:		
Transfer from general fund	\$ -	\$ -
Expenditures:		
Capital outlay	<u>-</u>	<u>-</u>
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	<u>81,525</u>	<u>81,525</u>
Unencumbered cash, end of year	<u>\$ 81,525</u>	<u>\$ 81,525</u>

See Independent Auditor's Report

CITY OF FORD, KANSAS

WATER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance favorable (unfavorable)
	2011	Actual	Budget	
Cash receipts:				
Customer charges	\$ 41,544	\$ 43,051	\$ 42,000	\$ 1,051
Expenditures:				
Personal services	19,050	17,237	\$ 19,900	\$ 2,663
Contractual services	1,836	1,144	2,000	856
Commodities	1,989	1,867	2,500	633
Capital outlay	1,862	-	2,500	2,500
Utilities	7,958	5,522	7,000	1,478
General administration	50	395	500	105
Repairs and maintenance	4,228	5,225	10,000	4,775
Deposit interest	25	115	-	(115)
Total expenditures	36,998	31,505	\$ 44,400	\$ 12,895
Receipts over (under) expenditures	4,546	11,546		
Unencumbered cash, beginning of year	1,773	6,319	\$ 3,773	\$ 2,546
Unencumbered cash, end of year	\$ 6,319	\$ 17,865	\$ 1,373	\$ (9,298)

See Independent Auditor's Report

CITY OF FORD, KANSAS

SEWER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance favorable (unfavorable)
	2011	Actual	Budget	
Cash receipts:				
Customer charges	\$ 15,026	\$ 15,431	\$ 15,000	\$ 431
Expenditures:				
Personal services	5,743	3,891	\$ 4,500	\$ 609
Contractual services	706	373	1,000	627
Commodities	564	-	1,000	1,000
Utilities	25	-	1,000	1,000
Repairs and maintenance	611	5,710	10,000	4,290
Total expenditures	7,649	9,974	\$ 17,500	\$ 7,526
Receipts over (under) expenditures	7,377	5,457		
Unencumbered cash, beginning of year	6,231	13,608	\$ 5,231	\$ 8,377
Unencumbered cash, end of year	\$ 13,608	\$ 19,065	\$ 2,731	\$ 16,334

See Independent Auditor's Report

CITY OF FORD, KANSAS

GAS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance
	2011	Actual	Budget	favorable (unfavorable)
Cash receipts:				
Customer charges	\$ 178,468	\$ 137,559	\$ 215,000	\$ (77,441)
Expenditures:				
Personal services	34,546	25,108	\$ 19,900	\$ (5,208)
Contractual services	3,055	3,945	6,000	2,055
Cost of gas and transportation	162,059	116,391	175,000	58,609
General administration	117	1,044	2,000	956
Repairs	3,758	15,798	6,000	(9,798)
Sales tax	2,974	1,837	3,000	1,163
Utilities	2,375	2,081	3,000	919
Total expenditures	208,884	166,204	\$ 214,900	\$ 48,696
Receipts over (under) expenditures	(30,416)	(28,645)		
Unencumbered cash (deficit), beginning of year	(45,611)	(76,027)	\$ 389	\$ (76,416)
Unencumbered cash (deficit), end of year	\$ (76,027)	\$ (104,672)	\$ 489	\$ (105,161)

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CITY OF FORD, KANSAS

TRASH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance favorable (unfavorable)
	2011	Actual	Budget	
Cash receipts:				
Customer charges	\$ 19,624	\$ 18,557	\$ 19,000	\$ (443)
Expenditures:				
Contractual services	17,215	17,370	\$ 23,000	\$ 5,630
Receipts over (under) expenditures	2,409	1,187		
Unencumbered cash, beginning of year	6,436	8,845	\$ 4,436	\$ 4,409
Unencumbered cash, end of year	\$ 8,845	\$ 10,032	\$ 436	\$ 9,596

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CITY OF FORD, KANSAS

KDHE SEWER LOAN PAYMENT FUND
REGULATORY BASIS

For the Year ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	<u>2011</u>	<u>2012</u>
Cash receipts:		
Transfer from general fund	<u>\$ 13,216</u>	<u>\$ 13,216</u>
Expenditures:		
Principal	9,208	9,495
Interest	3,686	3,421
Loan service fee	<u>322</u>	<u>300</u>
Total expenditures	<u>13,216</u>	<u>13,216</u>
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>
Unencumbered cash, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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CITY OF FORD, KANSAS**SUMMARY OF RECEIPTS AND DISBURSEMENTS - AGENCY FUND
REGULATORY BASIS**

For the Year ended December 31, 2012

<u>Fund</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Utility deposit fund	<u>\$ 8,079</u>	<u>\$ 834</u>	<u>\$ 820</u>	<u>\$ 8,093</u>

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